DOCUMENT RESUME

ED 345 367 EA 023 958

AUTHOR Fry, Patricia; And Others
TITLE Kentucky's Program for Educationally Deficient School Districts: A Case Study.
INSTITUTION Consortium for Policy Research in Education, New Brunswick, NJ.
SPONS AGENCY Office of Educational Research and Improvement (ED), Washington, DC.
REPORT NO CPRE-RRS-TC-005
PUB DATE Apr 92
CONTRACT G-008690011; R117G10007
NOTE 33p.
AVAILABLE FROM CPRE, Eagleton Institute of Politics, Rutgers, State University of New Jersey, New Brunswick, NJ 08901-1568 ($7 prepaid).
PUB TYPE Reports - Research/Technical (143)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Accountability; *Disadvantaged Schools; *Educational Assessment; Elementary Secondary Education; *Governance; State Action; *State Programs; *State School District Relationship; State Standards
IDENTIFIERS *Kentucky

ABSTRACT

The development and implementation of Kentucky's Program for Educationally Deficient School Districts is examined in this case study. Implemented in 1987, the program required districts to meet certain performance, planning, and reporting criteria. Districts failing to comply could be placed in categories of noncompliance. Data were derived from document analysis; interviews conducted in June 1989 with legislative, executive branch, education department and interview group leaders; and interviews conducted in October 1989 with teachers, parents, and community leaders in two Kentucky school districts that underwent state takeover. Following an introduction, the second section describes the demographic and political setting of Kentucky education. The third section highlights the development and provisions of the deficiency program. Following sections discuss state-level operation of the program, its operation in the two low-performing districts that were taken over by the state, and the recent reform of the state education system. Conclusions are that: (1) assistance was not centered at the local level and failed to address political corruption issues; (2) court challenges facilitated the major reform of Kentucky's system of educational governance; and (3) the program was redesigned to focus on individual schools and the use of statewide educator expertise. (12 endnotes) (LMI)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED345367

CONSORTIUM FOR POLICY RESEARCH IN EDUCATION

Kentucky's Program for Educationally Deficient School Districts:

A Case Study

Patricia Fry
Susan H. Fuhrman
Richard F. Elmore

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

- This document has been reproduced as received from the person or organization originating it.
- Minor changes have been made to improve reproduction quality.

- Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

CPRE
The Policy Center
The Finance Center

Rutgers, The State University of New Jersey
University of Southern California • Harvard University
Michigan State University • Stanford University
University of Wisconsin-Madison

EA 023 958

BEST COPY AVAILABLE

CONSORTIUM FOR POLICY RESEARCH IN EDUCATION

CPRE unites six of the nation's leading research institutions in an exciting venture to improve the quality of schooling. The Consortium operates two separately funded, but interlinked research centers: The Policy Center and The Finance Center. Both centers are funded by the U.S. Department of Education's Office of Educational Research and Improvement.

Members of CPRE are Rutgers, The State University of New Jersey; The University of Southern California; Harvard University; Michigan State University; Stanford University; and the University of Wisconsin-Madison.

Reports on Regulation of Schooling

This paper is one of five reports dealing with different approaches to regulation of schooling. The analytical paper and four case studies are available as a package at a savings of 25 percent. To order the package of five titles listed below for $28.50, please specify ***School Regulation Package (Order # PK-002)***.

Takeover and Deregulation: Working Models of New State and Local Regulatory Relationships
Susan H. Fuhrman and Richard F. Elmore ($10)

Kentucky's Program for Educationally Deficient School Districts: A Case Study
Patricia Fry, Susan H. Fuhrman, and Richard F. Elmore ($7)

Schools for the 21st Century Program in Washington State: A Case Study
Patricia Fry, Susan H. Fuhrman, and Richard F. Elmore ($7)

South Carolina's Flexibility through Deregulation Program: A Case Study
Susan H. Fuhrman, Patricia Fry, and Richard F. Elmore ($7)

State Takeover of a Local School District in New Jersey: A Case Study
Margaret Dolan ($7)

CPRE Research Report Series

Research Reports are issued by CPRE to facilitate the exchange of ideas among policymakers and researchers who share an interest in education policy. The views expressed in the reports are those of individual authors, and are not necessarily shared by the U.S. Department of Education, CPRE, or its institutional partners. This publication was funded by the U.S. Department of Education, Office of Educational Research and Improvement, grant numbers OERI-R117G10007 and G-008690011.

Copies of this report are available for $7.00 each, pre-paid. Prices include book-rate postage and handling. Quantity discounts are available. Write: CPRE, Eagleton Institute of Politics, Rutgers, The State University of New Jersey, New Brunswick, New Jersey 08901-1568; attention: Publications. Phone (908) 932-1394.

CONSORTIUM FOR POLICY RESEARCH IN EDUCATION

Kentucky's Program for Educationally Deficient School Districts:

A Case Study

Patricia Fry
Susan H. Fuhrman
Richard F. Elmore

April 1992

CPRE Research Report Series TC-005

© Copyright 1992 by the Consortium for Policy Research in Education

CPRE
The Policy Center
The Finance Center

Rutgers, The State University of New Jersey
University of Southern California • Harvard University
Michigan State University • Stanford University
University of Wisconsin-Madison

Contents

Abstract v

Acknowledgements vii

Introduction 1

The Setting and Background 3

The Development and Provisions of the Deficiency Program 7

State-level Operation of the Deficiency Program 11
- Curriculum Audits 11
- Management Assistance 12
- Technical Assistance 13
- Perceptions of Program Effects 14

Program Operation in Phase III Districts 15
- Floyd County 15
- Whitley County 18

Recent Reform and Changes in the Deficiency Program 23

Conclusion 27

Notes 29

Abstract

This case study reports on the development and implementation of Kentucky's Program for Educationally Deficient School Districts. The study draws on a review of documents; interviews conducted in June 1989 with legislative, executive branch, education department and interest group leaders; and interviews conducted in October 1989 with teachers, parents, and community leaders in two Kentucky school districts which have experienced state takeover.

Although the deficiency program legislation was enacted in 1984, it was not invoked until 1987. Under the program, districts were required to meet certain reporting, planning and performance criteria. Districts failing to meet the requirements could be placed in categories of non-compliance ranging from Phase I to Phase IV. The program resulted in state takeover of the Floyd County and Whitley County school districts in 1989.

Although the Kentucky education system, including the deficiency program, faced radical restructuring beginning in 1990, this study focuses on the original deficiency program. The study describes the setting for Kentucky education. It also discusses the development and provisions of the deficiency program; its operation at the state level, and it's implementation in the two districts (Floyd and Whitley Counties) which were taken over. The study also briefly addresses recent education reform in Kentucky.

In 1989, most policy leaders felt it was too soon to say whether the deficiency program had resulted in any real educational improvement. But the program was credited with encouraging low-achieving districts to reach and maintain minimum standards, primarily through its deterrent effects.

As for the districts under intervention, officials cited a number of factors they believed would eventually lead to improvement. These included increased communication with community members, development of curricular goals, guides, and management systems, and support of intervention by teachers.

In Floyd County, local personnel and community members did not think that the state was adequately prepared to take over a school system when it moved into Floyd. Other problems cited included failure to address the problem of political patronage, a lack of state interaction with teachers, and failure to meet needs for textbooks and supplies.

However, local staff did report some positive results including an improved district policy manual which liberalized teacher personal and sick-leave options, and raised standards for athletic participation. Two schools were closed, staff positions were cut, and the state required that the district budget be balanced.

As in Floyd County, teachers in Whitley were glad to see the state come into the district. However, this optimism was not sustained. Curriculum guides were not written for Whitley County. Few effects of the state intervention trickled down to the teachers, little technical assistance was offered by the state that was not available through other state-sponsored programs. However, it is difficult to say how much of the perceived inaction on the part of the state was due to the fact that Whitley County had filed suit against the state.

The state's presence in the two counties was ended as a result of Whitley's successful court challenge to the way the program had been applied. Another court case which concerned Kentucky's system of financing education led to a major overhaul of Kentucky's entire system of educational governance.

This paper is one of four case studies dealing with different approaches to regulation of schooling. Each case study was designed either to be used separately or in conjunction with *Takeover and Deregulation: Working Models of New State and Local Regulatory Relationships* by Susan H. Fuhrman and Richard F. Elmore.

The basic facts of the separate cases are incorporated into the analytical paper. However, the cases include little explicit analysis, and are as descriptive as possible. Therefore, the cases may be used to provoke independent analysis and discussion of regulatory issues. For information on obtaining these papers, please see the inside cover of this publication.

Acknowledgements

The authors would like to thank each of the respondents who agreed to be interviewed for this study. They also would like to thank Carolyn Herrington who provided helpful comments on an earlier draft of this paper.

Patricia Fry, at the time the research for this paper was conducted, was a research assistant at the Consortium for Policy Research in Education and a graduate student at Rutgers, The State University of New Jersey.

Susan H. Fuhrman is a professor of educational theory, policy and administration at the Graduate School of Education at Rutgers, The State University of New Jersey and a professor of policy at the university's Eagleton Institute of Politics. She also serves as director of the Consortium for Policy Research in Education.

Dr. Fuhrman is the author of numerous articles, research reports and monographs on education policy and finance. She co-authored two monographs on legislative education leadership in the states. Dr. Fuhrman was a consultant to the Ford Foundation's program on educational management and finance for 10 years and currently serves as vice-president of the school board in Westfield, New Jersey.

Richard F. Elmore is professor of education at the Graduate School of Education, Harvard University. He is also senior research fellow with the Consortium for Policy Research in Education. His current research focuses on the effects of state and local policy on schools and classrooms and on changes in school structure based on novel conceptions of teaching and learning.

Dr. Elmore is senior author and editor of *Restructured Schools: The Next Generation of Education Reform* (Jossey-Bass, 1990) and co-author of *Steady Work: Policy Practice and Reform in American Education* (RAND Corporation, 1988). He has held positions previously at Michigan State University, the University of Washington, and the Office of the Secretary of Health, Education and Welfare of the federal government. He is president of the Association for Public Policy and Management and a member of the Committee on Child Development of the National Research Council and the National Academy of Science.

Introduction

As states try to meet the challenge of improving education in times of limited resources, they are looking for ways to better target their attention and resources.

One strategy that has been gaining interest in that of treating districts differently based on their performance.[1] Recently enacted policies range from those that offer more flexibility and freedom from regulation to those that allow state takeover of failing districts and schools.

But these new policies raise many questions about their effects. How will the programs translate into practice in local schools and districts? Will the programs actually lead to improved education? How will roles and relationships among state education agencies, districts and schools be affected?

To search for answers to some of these questions the Consortium for Policy Research in Education (CPRE) has been examining varied approaches to state regulation of schooling in several states. Study states include South Carolina, which exempts high-performing districts from whole categories of regulations; Washington State, where participants in the state's Schools for the 21st Century pilot program may apply for waivers on a case-by-case basis; and New Jersey and Kentucky, two states that have directly intervened in the operation of failing school districts.

This case study reports on the development and implementation of Kentucky's Program for Educationally Deficient School Districts. The study draws on a review of documents; interviews conducted in June 1989 with legislative, executive branch, education department and interest group leaders; interviews conducted in October 1989 with teachers, parents and community leaders in two Kentucky school districts which have experienced state takeover.

Although the deficiency program legislation was enacted in 1984, it was not invoked until 1987. Under the program, districts were required to meet certain reporting, planning and performance criteria. Districts failing to meet the requirements could be placed in categories of non-compliance ranging from Phase I to Phase IV. The program resulted in state takeover of the Floyd County and Whitley County school districts in 1989.

Subsequent court rulings and recent dramatic changes in Kentucky's education system resulted in the two districts being removed from state control. The educational deficiency program was changed to conform to the state's new approach to accountability and the focus was moved from districts to individual schools.

Although the Kentucky education system, including the deficiency program, faced radical restructuring beginning in 1990, this study focuses on the original deficiency

program. It is hoped that the experience gained from this program will benefit other states which have enacted or are considering takeover plans of their own.[2]

The next section of this study provides the demographic and political setting for Kentucky education. The third section describes the development and provisions of the deficiency program. Following sections discuss state-level operation of the program, its operation in the two districts which were taken over, and the recent reform of the state's education system. The conclusion summarizes key points of the study.

The Setting and Background

Mining and manufacturing form the central base of Kentucky's economy, although it has the greatest number of farms of all but three states in the U.S. Over the last 20 years the rural areas of the state have grown relative to the metropolitan regions, and only two cities have more than 100,000 people. In 1987, seven percent of the state's residents were on public assistance, and the unemployment rate the following year was one of the highest in the nation at 7.9 percent.

Kentucky has a small percentage of minorities; in 1980, 92 percent of the population was white, while slightly more than 7 percent was black. The proportion of the over-65 population has grown substantially, matched by an even greater decline in the proportion of young people. In 1980, 21.8 percent of the population was between the ages of 5 and 17; by 1988, only 6.8 percent fell in that category. As a result, school enrollments dropped from 642,778 in 1986 to an estimated 630,091 in 1990. Given the aging of the population and the tendency of native Kentuckians to remain in-state, this trend is likely to continue.

As in most of the southern part of the nation, school districts are organized along county lines. The Jefferson County Public School district is the largest in the state with 92,315 pupils (SY88), followed by the Fayette County district with 31,268 pupils.

Per pupil expenditures in school year 1990 were an estimated $3,808, which ranks Kentucky 41st in the nation, although real per pupil expenditures have steadily increased in the state.

The state is not faring well on some other measures. For instance, the proportion of high school seniors that graduate declined by 1.5 percent between 1987-88 and 1988-89. And at the beginning of the 1980s, the state ranked last in the nation in the percent of the over-25 population with a high school diploma, 49th in the percent of this age group with four or more years of college, and 8th highest in the number of adults over 25 with less than five years of schooling.[3]

Kentucky's education politics and policies are in flux. In the case of *Rose v. The Council for Better Education, Inc. et al.* (1989),[4] which concerned the state's system of financing education, the Kentucky Supreme Court declared the entire educational system to be unconstitutional. The general assembly was ordered to create and establish a new system of common schools and provide adequate funding for the system. The resulting reform, and to some extent the process of developing the new system, has changed the Kentucky education policy landscape. The reform also altered the program examined in this case study, as will be discussed in the last section of this paper.

Kentucky has a tradition of strong and powerful governors. The constitution prohibits governors from succeeding themselves, although individuals may serve non-consecutive four-year terms. In recent years, education policy has been a prominent campaign issue in gubernatorial elections. Wallace Wilkinson, the governor at the time the study was conducted, took a proactive role in recent education reforms, strongly advocating the adoption of a statewide site-based management system.

The position of secretary of education and human services was created in the 1970s when Kentucky began operating under a cabinet form of government. In the past, the secretary was not granted any significant authority in education and this is not likely to change as a result of the recent education reforms. Although department of education budget and personnel decisions have gone through the secretary's office, this is simply a review and approval process. The role of the secretary has been that of an advisor to the governor in the area of educational policy, much like education aides in other states. In past years, many governors have appointed the superintendent of public instruction as the secretary of education, but others have appointed someone not involved in the educational bureaucracy in order to receive independent advice.

Like the governorship, the superintendent of public instruction is also a statewide elected office, limited to a four-year term, and constitutionally barred from succession. This office was the functioning head of the department of education and has been seen as a stepping stone to higher political office. To make the office more accountable to general government and less captive to politically supportive local officials, there have been three attempts to pass a constitutional amendment providing for gubernatorial appointment of the superintendent. The most recent attempt failed in 1986.

However, in the recent education reform, the legislature circumvented the constitutional mandate creating the office of the superintendent of public instruction by stripping the office of all duties and responsibilities, and reducing the salary to $3,000 annually. The legislature then created the office of the commissioner of education, appointed by the state board for elementary and secondary education, to carry out the duties of the chief state school officer. The commissioner took office on January 1, 1991, and on June 30, 1991 all current positions in the department of education were abolished. While positions could be rehired on July 1, 1991, this gave the commissioner an opportunity to reorganize the department of education, create new positions, bring in new people, and abolish irrelevant positions. As yet, it is uncertain what role the commissioner will play in the education policy arena, whether this office will be active in policy formulation or primarily concerned with the implementation of legislative mandates.

The general assembly's role in the formulation of educational policy has increased over the past 10-15 years, largely because recent administrations have chosen to share power with the legislature. While expecting the governor to take the lead in tax and revenue matters, the legislature has exerted more prerogative in other aspects of policy. The court's placement of the responsibility for redesigning the education system with the general assembly probably strengthened legislative influence over educational policy. The

role of the education department and other interest groups was greatly curtailed in the process, and the governor figured far less prominently than in the past. It is unknown at this time whether this trend will continue, or whether, as the legislature returns to regular business, the governor will attempt to reassume preeminence.

Educational interest groups in the state such as the Kentucky Education Association (KEA) and the Kentucky School Boards Association (KSBA) have been powerful, exerting considerable influence over key legislators. These groups actively lobby for and against programs in the legislature, make campaign contributions and provide volunteers for campaigns. As a result, they have had a strong voice in educational policymaking and are also gaining influence in other policy areas.

The Development and Provisions of the Deficiency Program

Kentucky's educational deficiency program was enacted in 1984 as an amendment to the 1978 Educational Improvement Act.[5] Its passage appears to have been relatively non-controversial with no strong open opposition. The teacher and school board organizations supported the amendment, and the deficiency legislation passed 35-2 in the Senate and 78-19 in the House. Observers believe that policy leaders were driven by Kentucky's low national rankings to seek some means of shoring up those districts at the bottom who were dragging the state average down. As a state agency leader said, "Kentucky really needs to raise the floor. The floor hurts the whole state." In addition, there were concerns about poor management in local districts. According to an executive branch official:

> The general assembly saw this as a tool to address management problems such as districts taking too much money out of instruction. They wanted to improve the instructional program.

As a legislator put it, patronage was the main issue:

> Because superintendents and locally elected boards dispense jobs, we get a deficient system perpetuating a deficient system. Employees have political skills but not necessarily educational skills.

Despite the breadth of support for the deficiency program, key policymakers were not anxious to claim paternity. Department leadership insisted that outsiders—perhaps the father of accountability in Kentucky, the now deceased Ed Pritchard—had the idea. However, legislative and gubernatorial leadership credit the department with originating the program. As a legislative staff member put it, "There was much discussion from 1982-84 about the abuse going on in districts and accountability as prominent nationally as well as here. Individuals in the department raised the issue . . . and encouraged [its sponsor] Senator Allen."

Although the program was enacted in 1984, the statute was not invoked until 1987 under State Superintendent John Brock. Under the program, districts were required to submit an Annual Performance Report to the state department of education, to publish this report in a local newspaper, and to create a Master Educational Improvement Plan (MEIP) which consolidates accreditation plans, academic improvement plans, the Master Inservice Plan, a financial plan and program involvement plans (attendance and dropout). The legislation also established minimum performance criteria in several areas. Deficiencies in these had to be addressed in the MEIP.

Nine possible areas of deficiency were established:

1. failure to keep accreditation plan of action time lines

2. failure to submit or implement the MEIP

3. failure to submit the Annual Performance Report

4. failure to publish the Annual Performance Report in newspaper

5. failure to submit a required progress report

6. failure to meet the standards set for district performance on a national standardized test

7. failure to meet the required standard for attendance (93.5 percent or above)

8. failure to meet the established standard for the district dropout rate (5.5 percent or below)

9. failure to meet the standards set for district performance on a state standardized test.

If a district had an attendance rate of 93.5 percent to 95.9 percent, it was given a satisfactory rating and required to develop a plan to improve attendance to 96 percent or better. If its attendance rate was 92 percent to 93.4 percent, the district was considered to be deficient and required to develop a plan to improve attendance to 96 percent or better with minimum gains each year of 1 percent. If its attendance rate was 90 percent or 91.9 percent, the district was considered to be deficient and required to develop a plan to improve attendance to 96 percent or better with minimum gains each year of 2 percent.

If a district had a dropout rate of 5.5 percent or less, it was considered to be satisfactory and required to develop a plan to reduce the dropout rate to 3.5 percent or less. A district that had a dropout rate of above 5.5 percent was considered to be deficient and required to develop a plan to reduce the dropout rate to 3.5 percent while improving per year as follows: if the dropout rate was 8.5 percent or greater, the rate had to be brought down to 8.5 percent, if the rate was between 8.4 percent and 7 percent, it was to be reduced by 1 percent, if it was between 6.9 percent and 5.6 percent, it had to be reduced by .75 percent each year.

If a district was at or above 50 on the Normal Curve Equivalent (NCE), it was considered satisfactory and not required to take any action. If a district was at 49.9 NCE or less, it was considered to be deficient and required to develop a plan to increase scores on the total Kentucky Essential Skills Test (KEST) battery in grades 3,5,7, and 10 to a

minimum of 50 NCE. At the time of this study, Kentucky was in the process of administering a new statewide achievement test and did not develop cut off scores for MEIP standards. Therefore, achievement was not cited by the state as a reason for movement into deficiency.

The educational deficiency program included four phases of compliance with the standards. Phase I consisted of all districts with no deficiencies or deficiencies which were addressed in a MEIP plan. If a district was making reasonable progress toward the achievement of minimum standards with no major deficiencies, it would remain in Phase I. In making that decision, the state department of education looked at local initiatives, whether gains were sustained, and the district's receptivity to technical assistance. Phase II districts were declared deficient because they did not comply with or adhere to the timelines established in approved MEIPs. Department of education staff provided the districts with monitoring and/or technical assistance. Technical assistance was not mandated in this phase; the district could refuse it. However, recommendations were made to the district as to how to improve the deficient standards, and they were strongly encouraged to implement those recommendations.

In Phase III, a district was subject to direct management intervention by the state board of education and the department of education because, after having been declared educationally deficient, it still had not complied with or adhered to timelines established in an approved MEIP. Department of education staff provided the district with direct supervision in its day-to-day activities, and board actions were subject to the approval of the state superintendent or his designee. The department also provided technical assistance. Phase IV was for a district which still did not meet established timelines for correcting deficiencies. Members of the local board, the superintendent and other school district personnel could be removed by the state board of education. A district in Phase III or IV was considered to be in receivership.

There were no standard amounts of time districts were to spend in various phases. If a district was making reasonable progress towards raising the deficient standard, it could receive extra time in Phase I or II. There was also no standard definition of reasonable progress. The determination was made by a committee within the department of education which made a recommendation to the state board.

State-level Operation of the Deficiency Program

In the first year the program was implemented, there were 15 districts placed in Phase II: Cumberland County, Covington Independent, Robertson County, Floyd County, Owsley County, Whitley County, Magoffin County, McCreary County, Perry County, Clay County, Jassamine County, Knott County, Owensboro Independent, Robertson County, and Newport Independent. Most of these districts worked themselves back into Phase I. Three districts were moved into Phase II in 1989: Middlesboro, Covington, and Newport.

There were two districts placed in Phase III in January 1989: Floyd County and Whitley County. Both had been in Phase II for two years. Floyd was placed in Phase III due to its lack of improvement in the attendance standard. Whitley was placed in Phase III due to its lack of improvement in the attendance and dropout standards. Both districts had serious management and financial problems.

Many observers believed that the political difficulties of the two districts figured strongly in the Phase III decision. When Covington County, a "clean" but poor and low-achieving district, was placed in Phase II and officially labelled "deficient," considerable controversy ensued. In part, negative comment focused on how Covington educators found out about its classification—by reading about it in the newspaper before formal department notification. But underlying the criticism was the concern that Covington was a district with a record of good leadership that did not deserve the negative publicity. In defense of its actions, the department maintained that Phase II was not meant to be negative, and that until Floyd and Whitley were moved into Phase III in 1989, Phase II did not have such a stigma attached to it. However, it was clear that department officials were wary about stigmatizing places seen as making an effort, districts that might be seen as willing but lacking in capacity.

Intervention in deficient districts included several components: curriculum audits; management assistance; and general technical assistance.

Curriculum Audits

A curriculum audit is formally described as:

> an independent examination of data pertaining to educational program practices that will indicate the extent to which a school district can meet its objectives (whether the latter are internally or externally developed or imposed). An audit examines management practice and system results. As such it is a type of quality assurance.[6]

Auditors, either outsiders or Kentucky state department staff trained by national administrator groups, used five standards to evaluate district curricular management practices. These were:

1. the school system is able to demonstrate its control of resources, programs, and personnel;

2. the school system has established clear and valid objectives for students;

3. the school system has documentation explaining how its programs have been developed, implemented and conducted;

4. the school system uses the results from district-designed or adopted assessments to adjust, improve or terminate ineffective practices or programs;

5. the school system has been able to improve its productivity.

The audit itself was based on three data sources: documents, interviews, and site visitations. The documents used included board policies, curriculum guides, reports, memoranda, budgets, state reports and accreditation documents. Interviews were held with most of the members of the board of education, top level administrative staff, building principals, teachers, supervisors, and parents. Every classroom in every school was visited by auditors.

Floyd County requested to be the pilot audit in the state of Kentucky prior to its movement into Phase III. Some respondents thought the movement into Phase III was partially a result of the negative findings of the curriculum audit. Several other districts that were in Phases I and II requested that they be subjects of curriculum audits. Curriculum audits were then required to be performed in districts that were moved into Phase III, with the expectation that state and local management could use the audit findings to point out deficiencies and recommend remedies.

Management Assistance

The Management Assistance Program (MAP) was established in 1985 by a special session of the general assembly. It was offered to districts beyond those in the deficiency program, but many districts in Phase II and III were placed in MAP.

The state board selected the districts to receive management assistance based on performance on several weighted criteria: (1) plant operations and maintenance—12.5 percent, (2) pupil transportation costs—3.1 percent, (3) personnel administration—12.5 percent, (4) fiscal deficits—9.45 percent, (5) fiscal effectiveness—25 percent, (6) teacher quality/pupil performance—25 percent, and (7) school/community relations—12.5 percent.

Each district receiving management assistance was assigned a team manager who would spend full time in a district for one to two months at the beginning of the project, and then five days a month for the remainder of the project. The manager was drawn from a corps of retired superintendents working as consultants to the state agency. At the end of the year, the team manager was to evaluate the district; during the year he was responsible for regular progress reports to the local board of education and to the state department of education.

A district was not compelled to follow MAP recommendations. However, the state board would not look kindly on those not making a good faith attempt to follow the majority of the recommendations.

Technical Assistance

Technical assistance from the state department of education was available to districts in all phases of the academic bankruptcy program. Although the department was required to offer help above and beyond that available to non-deficient districts, assistance frequently included participation in the Management Assistance Program or the Financial Stewardship, a program established in the 1940s for districts running consecutive deficits.

Department staff attempted to tailor assistance to the needs of districts in Phases II and III. A committee within the agency worked on a plan for each deficient district; for the Phase III districts the committee was lead by an associate superintendent. A department official said that the services:

> vary from rewards to tutorials. We are trying anything to keep kids in school, even incentives for the kids such as money, and employment. The division of student services has a unit on dropout prevention to help districts set up programs. The division of pupil accounting helps with attendance and another division works with teacher expectations and development.

In Floyd County alone, there were an estimated 117 person days spent by one office of the SDE over a six-month period. An agency leader said:

> This week there are 16 department people working in teams there for curriculum guides. There is ongoing inservice of all administrators, looking at analysis of skills and developing action plans. We are also getting the budget in order, reducing staff—they have $1 million in excess salaries. We are building a new middle school and there are problems with the high school site. We are developing a research model to assess the school climate—student data is being collected as well as parent attitude data. There are also other activities such as an attendance plan.

The department did not receive additional funding to conduct such assistance activities. Other than the management assistance program and a little money in some discretionary grant programs there were no specific revenues provided to support or assist deficient districts. One agency leader said that staff was assisting these districts on "overtime."

Perceptions of Program Effects

In 1989, most policy leaders felt it was too soon to say whether any real educational improvement had come about as a result of the deficiency program. The program was credited with encouraging low-achieving districts to reach and maintain minimum standards, primarily through its deterrent effects. Department staff felt that districts did not originally believe the state would fully implement the program. Local personnel did not think the state had "the guts" to invoke Phase III. When it was invoked, Phase II districts took notice. As a result, said one staffer:

> The negative publicity worked as salutary as technical assistance. The threat is necessary. It has succeeded in this very well especially in terms of attendance and dropout rates. In these two areas, we have gone from having 30 districts below standard to 7 out of 177 districts.

As for the districts under intervention, officials cited a number of factors they believed would eventually lead to improvement. These included increased communication with community members, the development of curricular goals, guides and management systems and the support of intervention by teachers. In the short run, they looked for interim signs of progress—such as improved attendance—and were willing to apply a longer time frame for meaningful change.

Program Operation in Phase III Districts

This section discusses the details of Kentucky's 1989 takeover of two districts—Floyd and Whitley Counties. The information here draws from interviews with teachers, parents, and community leaders conducted by CPRE in October 1989.

Floyd County

Floyd County is located in the eastern portion of Kentucky and has a coal-based economy. As that industry has become more automated and mechanized, fewer residents have been employed. The unemployment rate in 1985 was 13.9 percent, compared to a 1988 state unemployment rate of 7.8 percent. The 1984 per capita average personal income was $7,069. The Floyd County School District was the largest employer in the county. In 1989 there were 497 teachers and 41 administrators serving a student population of 9,385, in 22 school sites. Fifty-one percent of the student population were considered economically disadvantaged.

The patronage system of politics flourished in Floyd County, particularly within the school district. Teachers reported getting fired for supporting losing board members and considered it impossible to get a job with the schools unless you "knew someone." Board campaigns were very controversial; employees considered it safer to publicly support no one rather than risk supporting a losing candidate.

In 1987-88, Floyd County was cited in its accreditation review as being non-compliant in over 90 criteria spanning curriculum and instruction, pupil services, school plant facilities and finances. A blue-ribbon panel was established in October of 1988 with the support of the board, in order to "develop a sense of mission. . ., help establish long-range goals, and recommend ways to improve the instructional program."[7] Panel members included community representatives, school system representatives and representatives of the Kentucky Education Association, the Educational Forum, and the Citizen's Education Council. Their recommendations, spanning finance, management and personnel, and curriculum, included the establishment of an indexed salary schedule, development of a management structure aimed at accountability, elimination of the patronage system, and the establishment of a uniform curriculum.

However, these recommendations (released April 1989) were rendered moot by the curriculum audit conducted in December 1988, and the subsequent movement of the Floyd County schools into Phase III of the academic deficiency program in January of 1989.

The superintendent of Floyd County schools, Ron Hager, requested that his schools have the first curriculum audit conducted in the state. Some think that he sought the audit

in order to have some leverage with the board to pursue improvement programs. School officials and community members said that the state department of education had pledged that a negative audit would not result in movement to Phase III for at least two years. However, after the audit was completed and released, Floyd County was immediately moved to Phase III.

The curriculum audit's findings were extremely negative. Auditors found that board policies were outdated and ineffective; there was no long-range planning other than that mandated by the state; the existing organizational structure was ineffective and unmanageable; and there was little or no accountability in the system, allowing a patronage system to evolve and flourish. Auditors found that existing curriculum guides were ineffective and limited; there was no formal system of curriculum development or monitoring; there was no planning for any curriculum development; curriculum in the five high schools was uneven across schools and inequitable within schools; there was no comprehensive assessment of curriculum in the system; principals rarely used test results to monitor curriculum; test results showed little gain over time; the dropout rate was decreasing but was still too high. The audit also cited excessive local fundraising activities, inefficient budgeting processes, and facilities ranging from modern to unsanitary and degrading.[8]

Several recommendations were made by the auditors, encompassing the more serious findings. These included the elimination of the patronage system, creation of a valid long-term plan, revision of the organizational structure, establishment of healthy and sanitary environments, revision of the budgeting system, and development of a procedure to use test data.

The standard on which Floyd County was moved into Phase III was student attendance, which was below the 93.5 percent state standard. In 1985-86, Floyd County had an attendance rate of 91.69 percent; in 1986-87 it was 92.42 percent; and in 1987-88 it was 92.53 percent. Although there was improvement, the pace did not meet the minimum rate designated by the state for deficient schools systems. Local officials also believed the dropout rates, a projected financial deficit, and the highly negative curriculum audit contributed to the decision for movement into Phase III. Another reason cited is political, although other districts in the state were at approximately the same level of deficiency as Floyd County, they were not moved into Phase III. One respondent said State Superintendent Brock could count on Floyd County Democratic votes in upcoming elections no matter what; moving Floyd County to Phase III would not cause him any political harm.

Local personnel and community members did not think that the state was adequately prepared to take over a school system when it moved into Floyd. The state was disorganized and slow to get moving. When it did get moving, it handed down a series of mandates, not all of which were realistic. For example, teachers were given only five days to get together and write curriculum guides and then were criticized for doing an inadequate job.

Another problem cited was the lack of state interaction with teachers. Many teachers were very excited at the prospect of state intervention, believing they would have an opportunity to speak out without having to fear for their jobs. There was little opportunity for this. On everything but the curriculum guides, according to teachers, the state worked exclusively with the district and some building-level administrators. A teacher said:

> The SDE staff spent [their days] at the central office, and called in principals. They were in the buildings very little. Teachers are isolated. There is no focused attempt to bring them together. Teachers were brought together for one week this summer to begin working on curriculum documents. They need a lot more work. We keep asking for more support to come together.

In order to improve on the attendance standard and exit Phase III, the Floyd board adopted a new attendance policy. Under this policy, if students were absent for nine days, they were subject to removal from classes. Students were checked for attendance in homerooms twice a day, and full or half-day absences were to be determined. Tardiness or class absences were to be dealt with separately. Students were not to be removed from classes until they and their parents had an opportunity to explain the absences to a committee which would determine the legitimacy of the absences. Students could not be removed from more than two classes. During the time students would normally attend classes, they were to be placed in a study hall.

Local personnel reported intervention did achieve some positive results. A new district policy manual was adopted which included more sick leave options, personal leave for teachers, higher standards for athletic participation, and elimination of senior trips. The board voted to close two small schools (per the auditor's recommendation) and cut 3 administrative staff positions, 10 teachers, 7 maintenance workers, and 21 custodians. The state required that the district budget be balanced.

What the state did not directly address was the problem of political patronage. On learning that the state was considering moving the district out of Phase III and returning control to Floyd in the fall of 1989, a community member stated:

> People really felt that the takeover would deal with the political system. We wanted to think there was accountability and hope. There have been 10 years of turmoil in the system—we have fought long and hard and little has happened. We have allowed elected officials to lead us around. We looked at the SDE to take care of it. We thought the state would stay. . . They have started training programs, and to come along in November and say it's over, it's crazy—asinine. I can't imagine [the] motive—it's political suicide. Restructuring takes a long time.

Teachers and community members also felt that there was a lack of progress on issues they felt needed to be tackled by the state, such as the lack of textbooks and supplies. As

a result, the teachers and the Floyd County Educational Association requested that the state board move Floyd County schools into Phase IV. This request was not granted; instead Floyd was removed from Phase III along with Whitley in response to a court case challenging the operation of Phase III.

Whitley County

Whitley County is, like Floyd County, located in eastern Kentucky and largely dependent on the coal industry as an economic base. The unemployment rate in 1988 was 10 percent compared to the state unemployment rate of 7.9 percent. The 1984 per capita average personal income was $8,246. In 1989, Whitley County schools employed 221 teachers and 39 administrators, serving a student population of 4,089, at eleven school sites. Of this population, the percentage of economically deprived children was 80.5 percent.

Whitley's patronage system was reported to be even more influential than Floyd's. School board members ran on a platform of who they would choose to be superintendent. Teachers and classified personnel who spoke out against board policies or members were subject to intimidation and job-related recriminations. Respondents reported outspoken teachers being followed, being stopped by the police for no legitimate reason, and having their classrooms overloaded with students from several different grade levels. A teacher summarized the problem:

> Politics is the basic problem and the reason for our predicament. Everyone runs to Board meetings to be hired. The schools are the largest employers in Whitley, Knox, Clay and Harlan Counties. The salary and wage base depends on them. There is a lot of patronage and power on the school board. Here, people with large families have more votes. City officials keep industry out to keep new voters out and keep their power. I have no official knowledge of kickbacks but there is lots of corruption. Board members come in and tell the superintendent to hire a certain person, often a relative, who will vote for them.

The school system has also had a series of financial problems, exacerbated by the annexation of wealthier portions of the school district by local independent school districts Corbin and Williamsburg. The county district fought these annexations in court and lost. As a result, the district not only lost the tax base associated with the property annexed to the independent districts, it also lost schools that could have pulled up dropout and attendance rates, possibly keeping the county district out of Phase III.

Whitley County schools were moved into the Management Assistance Program in 1986 and Phase II of the academic deficiency program in 1987. Although there had been some improvement in dropout and attendance scores since that time, in January 1989 the

school system was moved to Phase III of the program. As part of the Phase III process for direct intervention and technical assistance, a curriculum audit was conducted.

The curriculum audit's findings were, as in Floyd County, very negative. Auditors found that the district lacked a long-range plan; there was confusion about who was in charge of specific programs; local politics were linked to administrative decisions; curriculum documents were of marginal quality; there was no system of curriculum monitoring and/or management; and no plans for curriculum development existed. Auditors found great variations in teaching materials and supplies available at the elementary level as well as inequities in time allocations and staffing formulas. Auditors found no policy relating to the use of test data for assessing the curriculum; that test data were inconsistent and showed a failure to make long-term gains; there were wide variations in student achievement both within and between buildings; ACT scores were significantly below state average; and there was a defeatist attitude regarding pupil success. Auditors also criticized inadequate funding at the building level; the failure to apply funds to program priorities; underutilization of funds in Chapter I; the absence of written policies for purchasing, or conflict of interest; and many marginal facilities. Auditors said that local personnel rationalized problems as being caused by external forces.[9]

Several recommendations were made by the auditors. These included the development of open hiring policies, a strategic plan, a curriculum management system and curriculum documents, and a comprehensive testing policy. Also recommended were a review of the language arts program at the middle and high school levels, the creation of programs to deal effectively with the dropout and attendance rates, and the creation of a common, programmatic budgeting system.

Whitley County was moved into Phase III because of attendance rates and dropout rates. People in the community said that academic achievement reflected by test scores was also a major factor in the movement, although at the time the state did not have established cutoff scores for this purpose. The attendance minimum was 93.5 percent and the dropout maximum was 5.5 percent. In 1985-86, the attendance rate for Whitley County was 91.29 percent; in 1986-87 it was 92.28 percent; and in 1987-88 it was 92.5 percent. In 1985-86, the dropout rate was 7.35 percent; in 1986-87 it was 6.43 percent; and in 1987-88 it was 6.8 percent. Although both of these rates were improving, they were not improving at the minimum rate designated by the state for deficient school systems. Another reason cited by respondents for the takeover is politics—similar to what happened in Floyd County. While some residents of Floyd County believed they represented safe Democratic votes not risked by takeover, some in Whitley thought their traditional Republican voting pattern accounted for the Democratic state superintendent's willingness to take over the schools.

As in Floyd County, teachers in Whitley were glad to see the state come into the district. However, this optimism was not sustained. Few effects of the state intervention trickled down to the teachers. Curriculum guides were not written for Whitley County.

Little technical assistance was offered by the state that was not available through other state-sponsored programs. One teacher said:

> [The state people said] they'll come back in September and work on guides and there would be committees of teachers and they would write the guides around them. It's October now and they're not back yet. I don't know when they'll come. They're not doing the guides. . .

Another said:

> If you surveyed the teachers—a very low percentage of them have seen the state in here. But administrators had contact with them—had long-range planning sessions. We want the state in here and like the accreditation process, but it's not enough.

The state did not directly address the political situation in Whitley County. It also did not address such problems as teachers having to paint their own classrooms and buy their own book cases. As teachers put it:

> The teachers see an emphasis on test scores. Administrators are trying to encourage them to teach items—we think they will evaluate the teachers on the test scores. They are developing an attendance policy that is not to be enforced. There is no planning time at the elementary level, and only a 20-minute lunch. There is no music, art or PE. There is no art or PE equipment even though it is in the curriculum. Now the CTBS [Comprehensive Test of Basic Skills] skills are in the lesson plans by item.
>
> You can forget education until the politics is out. We could get some surface looking improvements but no real improvements.
>
> In our first contact with the state people after the takeover, Dr. Brock came and said "we're not here to replace anyone, do away with anyone." So the very root of the problem was an issue that was not addressed. Our educational deficit in this system is administrative personnel. That's where the problem is.
>
> Now the takeover is a joke—except that teachers are dreaming about restructuring. They were so hopeful, and now, so sad.

It is difficult to say how much of the perceived inaction on the part of the state was due to the fact that Whitley County filed suit against the state challenging the movement to Phase III. Ostensibly, the district cooperated with the takeover process until the suit could be settled. However, administrators refused to discuss the process while the case was in litigation. In the court case, Whitley County alleged that: (1) the state acted

arbitrarily in modifying regulations for phase movement by internal policy; (2) the state failed to provide necessary technical assistance as required by statute; (3) the intervention provisions were vague; and (4) due process and equal protection rights were violated.

The court found in favor of the Whitley complaint. First, it found that the state failed to follow its own regulations. The state admitted that: the statistics qualified 80 districts under Phase II but internal policy reduced that number to 20 by changing the standards, and that two districts besides Floyd and Whitley qualified for movement into Phase III but for various reasons were not moved. (The districts are Newport and Covington Independent). The standards change meant that regulations were modified by internal policy, which violates state statute. In addition, the court found that test scores were used as a basis for Whitley's movement to Phase III. This violated established internal policy requiring non-mastery in four or more subject areas and the state's position not to use test scores for any phase movements in 1989 because of the legislative decision to discontinue the KEST.

Regarding point 2 of the Whitley County allegations, the court found that virtually all assistance to Whitley came from programs outside of the Education Improvement Act. The state was mandated to provide technical assistance to Phase III districts beyond what would normally be available to them under other state-sponsored programs. Since the assistance provided was available to all districts, it did not fulfill the requirement for consultation and assistance related to specific program deficiencies.

Regarding point 3, the court found that the statute was indeed impermissibly vague because they "are not sufficiently definite and certain to enable a reader to know his rights and obligations."[10]

As to point 4, the court found that the selection of Floyd and Whitley County schools for intervention, and not Newport or Covington Independent, was "unlawful selective enforcement" and so violated the equal protection clauses of the state and federal constitutions.

The court indicated that it understood the constraints under which the state implemented the program, given the lack of legislative funding. Judge William Graham stated that "The Educational Improvement Act, laudable in its goals and intentions, is a hollow gesture without the necessary funds appropriated to pay for the programs necessary to achieve those goals"[11]

The court's ruling in *Whitley County* necessitated the state's removal of that school district from Phase III. Since Floyd County was moved into Phase III in much the same manner as Whitley County, and on similar standards, Floyd County was also removed from Phase III in order to avoid a similar lawsuit.

Recent Reform and Changes in the Deficiency Program

The educational deficiency program was substantially revised by the recent overhaul of the state's entire educational system. In 1989, as a result of the *Rose* decision, the legislature created a task force charged with establishing general guidelines for a new system of education. In 1990, the legislature passed a reform package that included site-based decision-making, outcome-based indicators of success, and an altered system of accountability. In addition, a tax package, including a one-cent increase in the sales tax, was enacted to fund the reforms.

The reform legislation effectively abolished the position of an elected superintendent of education and established an appointed commissioner of education, effective January 1, 1991. In addition, in 1992 the general assembly will again refer to the voters a measure to amend the state constitution, officially removing the office of superintendent of public schools. With the appointment of the new commissioner, all positions within the department of education were abolished as of June 30, 1991 to enable the new commissioner to redesign and restaff the department. The focus of the department was to be redirected to emphasize technical assistance and research.

At the local level, the legislation addressed political abuses and nepotism. Upon the vacancy of a certified position within a school district, the superintendent must notify the chief state school officer who then publishes a registry of vacancies for the entire state. No relative of a local superintendent of schools can be employed by that district. Also, a school cannot employ a relative of a local school board member, and no relative of the principal may be employed in that principal's school. A "relative" includes any of the following: father, mother, brother, sister, husband, wife, son, daughter, aunt, uncle, son-in-law, and daughter-in-law.

No individual who has a relative employed by a district can be elected to the school board. District employees were prohibited from participating in local school board campaigns,[12] and campaign contributions are limited to $100 per individual and $200 per PAC. Local school boards were prohibited from taking action on personnel decisions, and boards may not terminate the employment of local superintendents prior to the expiration of their contracts without the approval of the commissioner of education.

Also established by the reform legislation is an office of accountability, outside of the department of education. The office was placed under the direction of the legislative research commission. The commission appointed a deputy director to administer the office. The duties and responsibilities of the office of accountability include monitoring the educational system and the implementation of the reform act; establishing a school finance division to conduct an continuing review of the financial system, particularly in regard to equity and allocation of monies; verifying the annual performance reports of schools, districts, and the state; investigating allegations of wrongdoing within the

educational system and the department of education; analyzing the efficiency of the school system and its progress toward the goals set by the reform act; and presenting an annual report on the implementation of these reforms to the governor, the legislative research committee, and the state board of secondary and elementary education.

By January 1, 1991, each local school board was to adopt a policy for the implementation of site-based management. Each school must also establish a school council to be made up of two parents, three teachers, and the principal, who is the chair of the council. The council has the responsibility to set school policy, make personnel decisions regarding the filling of vacancies, although not transfers or dismissals, and to decide the instructional materials and student support services to be provided for the school. Personnel decisions are to be made from a list of applicants provided by the district superintendent of schools; teachers and other personnel are to be hired by the principal in consultation with the council which itself selects the principal. All certified staff are to participate in the decision-making process. Site-based management is to be implemented statewide by July 1, 1996.

A school can implement a different model than that outlined in the reform legislation upon approval from the state board. Funds will be allocated to the school council for operating expenses from a departmental fund. In addition, the local school board is to allocate a share of the district appropriation to schools undertaking school-based management for additional instructional materials and school-based student support services.

School districts are required to provide a half-day pre-school program for at-risk four-year-old children. Other four-year olds will also be served as placements are available. Also, an ungraded primary school program for grades K-3 was to be in place in all schools by 1992-93. Children must successfully complete the program in order to enter the fourth grade and the state board of education is to establish a method of verifying successful completion.

The reform legislation created an Educational Professional Standards Board, effective July 1990, with teachers holding the majority of positions on the board. This board is responsible for establishing standards for the certification of teachers and the evaluation of college and university education/teacher preparation programs, licensure of teachers and developing a professional code of ethics.

A new funding system has been developed for Kentucky schools, a "simplified foundation" program which provides a specific amount of money per pupil through state and local funds. The local share derives from taxation at or above an established minimum level; equalization funds are also available for districts whose property value per student is less than 150 percent of the statewide average. All property must be reassessed at 100 percent of fair cash value by July 1, 1994. In addition, the state will contribute funds for economically disadvantaged and exceptional children and for

transportation costs according to a formula to be developed by the state department of education.

Kentucky is now moving to a statewide performance-based assessment program to be implemented fully by 1995-96. There has been an interim testing program established to assess skills in reading, math, writing, science, and social studies in grades 4,8, and 12. The interim program is to be similar, for comparison purposes, to the National Assessment of Education Progress (NAEP). It will be used to determine school success for purposes of the academic deficiency program beginning in the 1993-94 school year.

The educational deficiency program was changed to address concerns about the legality of the previous program, as challenged by the *Whitley* court decision, and to conform to the state's new performance-based approach to accountability. The new program focuses on deficient schools, rather than districts. In the Whitley case, the department of education had argued that it lacked resources to assist all districts that needed to be in Phase III. By changing the focus to the school level, it is hoped that the department will be able to provide aid to more needy sites and focus resources on schools rather than central offices. Under the approach, schools showing improvement at or above a pre-determined threshold level receive rewards; those maintaining previous levels of achievement file school improvement plans and are eligible to receive funds from the school improvement fund. If this school does not reach the threshold level after the second biennial review or declines by less than 5 percent it is then assigned a Kentucky distinguished educator. Distinguished educators, who also serve as teaching ambassadors and assist the state department of education with research and staff development projects, are recognized practitioners on one-year paid sabbatical leave from their local positions.

If a school declines by 5 percent or more, then it becomes a "school-in-crisis." At this time, all certified staff are placed on probation, the principal notifies the parents of their students right to transfer to a successful school, the superintendent selects a receiving school for transfer students, and one or more Kentucky distinguished educators are assigned to the school. After six months, an evaluation is conducted by the distinguished educator who will recommend retention, dismissal, or transfer of all certified staff. Assistance and evaluation occur in six-month cycles until the school is no longer in crisis.

A district with declining performance of 5 percent or more is assigned a Kentucky distinguished educator to assist the system, evaluate personnel, and make personnel recommendations. If a district has a declining proportion of successful students for two consecutive biennial assessments, it will be declared an education development district and the board and superintendent will be removed.

Conclusion

Kentucky's deficiency program may be seen as the state's attempt to deal with very low-performing districts. Nine areas of deficiency, including attendance, dropout and achievement measures, were developed. Districts were moved through various phases of the program, from non-deficient to state intervention, depending on their ability to meet standards or make progress toward standards in the various deficiency areas.

In 1989, Floyd County and Whitley County, two poor eastern Kentucky districts, were placed in Phase III of the program, triggering intensive state supervision and assistance. Both counties had severe political corruption problems. During Phase III, the state agency provided a variety of reviews and types of assistance. Teachers and community members in the districts reported that the assistance was centered at the district level and not perceived in the schools and that the corruption issues were not addressed.

The state's presence in the two counties was ended as a result of a court challenge to the way the program had been applied. Another court case which concerned Kentucky's system of financing education led to a major overhaul of Kentucky's entire system of educational governance. The program for lower-performing areas was redesigned to focus more on individual schools than on districts and to draw on expertise from educators around the state.

Notes

1. For a full discussion of state approaches to treating districts differently, see Susan H. Fuhrman (with Patti Fry), *Diversity Amidst Standardization: State Differential Treatment of Districts* (New Brunswick, NJ: Rutgers University, Center for Policy Research in Education, 1989). Actual state differential treatment programs are explored in an analytic paper by Susan H. Fuhrman and Richard F. Elmore, *Takeover and Deregulation: Working Models of New State and Local Regulatory Relationships* (New Brunswick, NJ: Rutgers University, Consortium for Policy Research in Education, 1992). The paper draws from this study of Kentucky's program for educationally deficient school districts and three additional studies also published by CPRE: *Schools for the 21st Century Program in Washington State: A Case Study*, *South Carolina's Flexibility through Deregulation Program: A Case Study*, and *State Takeover of a Local School District in New Jersey: A Case Study*.

2. Traditionally, more than 20 states in this country have permitted state authorities to take action in school systems that are deficient in key areas, according to E. Witt, in "Can a State Force a Local School System to Change for the Better?" (*Governing*, May 1989): 56-60. In the 1980s Arkansas, Georgia, Kentucky, New Jersey, New Mexico, Ohio, South Carolina, Texas, and West Virginia passed laws empowering the state education authority to intervene in school districts which are failing to deliver the education required by their state constitutions, reports Lynn Olson, in "One Year After the Takeover by State, Cautious Optimism in Jersey City," (*Education Week*, October 1989): 1, 20.

3. Background information on the state was derived from three sources: (1) Sharon A. Bobbitt and Frank H. Johnson, *Key Statistics for Public and Private Elementary and Secondary Education: School Year 1990-91*, National Center for Education Statistics Survey Report (Washington, DC: Office of Educational Research and Improvement, December 1990); (2) National Center for Education Statistics, E.D. TABS: *Public Elementary and Secondary State Aggregate Data, by State, for School Year 1989-90 and Fiscal Year 1989*, (Washington, DC: Office of Educational Research and Improvement, April 1991); and (3) Edith R. Hornor, ed., *Almanac of the 50 States: Basic Data Profiles with Comparative Tables* (Palo Alto, CA: Information Publications, 1990).

4. *Rose vs. the Council for Better Education, et al.*, Kentucky, 1989, 790 S.W. 2d 186, 60 Education Law Reporter 1289.

5. Unless otherwise noted, the information in this and the following section derives from interviews with legislative, gubernatorial, department and interest group leaders in Frankfort, Kentucky, June 14-16, 1989.

6. Kentucky Department of Education, *A Curriculum Audit of the Whitley County School System*, (Frankfort, KY: Author, 1989): 2.

7. Floyd County School District, *Blue Ribbon Panel Recommendations*, (Prestonsburg, KY: Author, 1989): ii.

8. For complete details, see Raymond G. Melton et al., *A Curriculum Audit of the Floyd County School System*, (Prestonsburg, KY: Floyd County School District, 1989).

9. For complete details, see Kentucky Department of Education, *A Curriculum Audit of Whitley County*.

10. *Whitley County Board of Education et al. v. John Brock et al.*, Franklin Circuit Court, Kentucky (1990), 89-CI-0302:18.

11. *Whitley County Board of Education et al. v. John Brock et al.*, 10.

12. This aspect of the legislation was subsequently challenged in court.